



The Pensioner: In the Moment

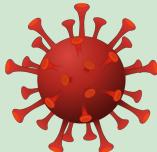
Welcome to the digital MPERS newsletter! *The Pensioner: In the Moment* contains news, updates, and important information for retirees of the Missouri Department of Transportation, the Missouri State Highway Patrol, and MPERS.

Happy New Year!

2021



COVID-19 Update



The MPERS office remains closed to visitors for the foreseeable future. In the event that this changes, we will let our members know. In the meantime, we can still conveniently connect!

We offer the following for your convenience:

- Virtual one-on-one appointments to assist with your post-retirement needs. [Click here to make an appointment.](#)
- A mail drop slot located in the front door of MPERS, if you wish to drop off documents at the office's physical location.
- Secure document upload via LeapFile, if you wish to provide your documents electronically. [Click here to access the secure document upload.](#)
- You can always reach us at 1-800-270-1271 or by email at mpers@mpers.org.

New Divorce Legislation in Effect

A bill was passed during the 2020 legislative session that affected the divorce provision in MPERS' statutes. Effective January 1, 2021, members who chose a joint and survivor payment option at retirement, then later divorced, can undo the survivor option as long as the requirements of the statute are met (including, but not limited to, the agreement of the ex-spouse).

Previously, if a member chose a joint and survivor payment option at retirement and later divorced, they could not change the payment option.

MPERS FYI Is Now Available!

Don't have time to read through our Comprehensive Annual Financial Report (CAFR)? Check out the MPERS FYI, Popular Annual Financial Report. This publication is a summary of the CAFR; it includes important information without the time commitment.

[View MPERS FYI Now!](#)



Did You Know... MPERS is an IRS-qualified retirement plan?

If you don't know what an IRS-qualified retirement plan is, you are not alone.

As a qualified retirement plan, not only do MPERS' active members receive preferential tax treatment on their contributions, but employers do as well. Although Closed Plan and Year 2000 Plan members are not required to contribute to their retirement, 2011 Tier members are. Because of MPERS' qualified status, those contributions are made prior to any taxes being deducted (pre-tax), thus reducing the employee's taxable income and subsequent tax liability.

Likewise, employers (MoDOT, the Highway Patrol, and MPERS) receive preferential tax treatment for the contributions made on the employees' behalf. In this case, employers do not have to pay withholding tax (or income tax) on the contributions made for employees.

What if MPERS was no longer a qualified retirement plan?

Employers would have to pay income tax on the contributions made on behalf of their employees, and the employees would have to pay taxes on not only their own contributions but on those contributions made by the employer. The tax savings to the employees and the employers add up to many millions of dollars annually if MPERS remains qualified.

To be clear, MPERS is currently a qualified plan by way of an IRS Determination Letter issued several years ago. MPERS' staff monitors relevant changes to the Tax Code as well as changes to our own statutes and those statutes that affect ours, to be sure that the plan remains in compliance.



Secure Member Access

Do you have a *myMPERS* account? If not, there is no better time than the present to sign up! As many pension systems are moving towards only electronic communication with their members, MPERS has been and will continue to follow suit.

Activities you can do in your *myMPERS* account include, but are not limited to:

- view/print benefit payment information
- view/print tax information such as 1099Rs
- update your personal information
- update/change your tax withholdings
- update direct deposit information
- vote in upcoming trustee elections

If you currently have a *myMPERS* login, fantastic! If you are not sure you have an account or would like to set one up, please contact MPERS at 800-270-1271 to speak with a benefit specialist who can assist you.

- If you continued medical, dental, and/or vision insurance through Employee Benefits as a retiree, any premium changes were

reflected on your December 31, 2020 benefit payment.

Reminder!

- If you retired in 2020, you will receive a W-2 from your former employer and a 1099R from MPERS for tax reporting purposes. If you also opted to take BackDROP, you will get an additional 1099R for each distribution of this lump sum.
- 1099Rs will be mailed **no later than** January 31, 2021. They will also be available mid-January via *myMPERS*.
- 2021 cost-of-living adjustment (COLA) rates will be released no earlier than January 20, 2021.



Upcoming Events

- 20 - COLA rate for 2021 available for release
- 29 - Pay day for retirees and survivors
- 31 - 1099Rs will be mailed by this date



We value your feedback!

What would you like to see in ***The Pensioner: In the Moment?***
Send comments and suggestions to Julie.West@mpers.org.